

PRESS RELEASE

Gaurishankar Cement Private Limited

March 2024

Ratings

Instrument/Facilities	Amount (NPR. Mn)	Ratings	Rating Action
Long Term Bank Facilities- Fund Based Loan	6,732.75	IRN B+	Downgraded from IRN BB-; and moved to ISSUER NOT COOPERATING* category with notice of withdrawal
Total	6,732.75		

* Issuer did not cooperate, based on best available information

Infomerics Credit Rating Nepal Limited (Infomerics Nepal) has downgraded the long-term rating to IRN B+ 'INC' (Single B Plus, Issuer Not Cooperating) from IRN BB- (Double B Minus) to the long-term fund-based bank facilities of NPR 6,732.75 Mn. and moved to Issuer Not Cooperating category with notice of withdrawal.

Detailed Rationale

The revision in the rating assigned to the bank facilities of Gaurishankar Cement Private Limited is because of non-cooperation by the company despite repeated follow ups and lack of adequate information leading to information availability risk and hence uncertainty around its credit risk. Infomerics Nepal assesses whether the information available about the company is commensurate with its rating and reviews the same as per the policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Non-Cooperation by Issuer

Infomerics Nepal has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide E-mail communications dated October 10, 2023, January 12, 2024, February 06, 2024, February 12, 2024, March 05, 2024 and concurrently over several phone calls. However, despite repeated requests by Infomerics Nepal, the company's management has not submitted all the essential details required for detailed review of the assigned ratings.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBON guidelines, Infomerics Nepal has to assign the rating based on the best available information. Accordingly, the ratings assigned to the bank loan facilities aggregating to NPR 6,732.75 Mn of Gaurishankar Cement Private Limited shall be moved to 'ISSUER NOT COOPERATING' category by Infomerics Nepal and the long-term rating will be noted as IRN B+ 'INC'; Based on best available information (Single B Plus, Issuer Not Co-operating).

Analytical Approach: Standalone

Applicable Criteria:

[Corporate Credit Rating Methodology](#)

Past Rating Rationale:

[Gaurishankar Cement Private Limited: Bank Facilities Rating Assigned](#)

About the Company:

Gaurishankar Cement Private Limited (GCPL) is a private limited company incorporated under Company's Act on April 2021. The registered office of the company is at Kathmandu Metropolitan City -03, Basundhara Kathmandu. The primary objective of the company is to construct and operate 2,500 TPD clinker manufacturing units in Shivaraj Municipality-06, Kapilbastu, Lumbini. The company has already started construction work at the project site with an estimated completion period of 3 years from now. The company is being promoted by three cement manufacturing companies and one individual.

Analyst Contacts

Mr. Raunak Mulmi

Tel No. +977-1-4583304/4585906

raunak.mulmi@infomericsnepal.com

Mr. Atish Ratna Shakya

Tel No. +977-1-4583304/4585906

atish.shakya@infomericsnepal.com

Relationship Contact

Mr. Rabin Pudasaini

Tel No. +977-1-4583304/4585906

rabin.pudasaini@infomericsnepal.com

About Infomerics Credit Rating Nepal Limited:

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Infomerics Credit Rating Nepal Limited

Tanka Prasad Marga, Baneshwor Height, Kathmandu

Phone: +977-1-4583304/4585906

Email: info@infomericsnepal.com

Web: www.infomericsnepal.com

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